IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION.

INCOME TAX APPLICATION No.98/2002.

The Commissioner of
Income-tax Mumbai. ..Applicant.

Vs.

M/s. A. I. Films, Vijay Niwas, Respondent.
8th Road, Ghatkopar, Bombay.

Mr Ashok Kotangale, Advocate for Applicant.

CORAM:DR.S. RADHAKRISHNAN
AND V.C. DAGA,JJ.
DATED:2nd April, 2007.

P.C.:-

1. Heard learned counsel for the applicant.

2. The following question of law has been raised before the Tribunal:-

> "Whether on the facts and in the circumstances of the case and in law the ITAT is justified in upholding the order of the Commissioner of Income-tax (A) directing to delete the addition of Rs. 3,96,000/- as trading receipt and holding that grant-in-aid received from Maharashtra Government is capital asset?"

3. The learned counsel for the applicant fairly accepts that the above question raised in the appeal is squarely covered by the decision of this Court in the case of Sadichha Chitra (189 ITR 774) which is against the revenue and in favour of the assessee.

4. In view of the aforesaid matter, the application is dismissed.

(V.C. DAGA,J.) **(DR.S. RADHAKRISHNAN,J.)**